



State of Utah

Department of
Natural Resources

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Division of
Oil, Gas & Mining

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Lieutenant Governor

July 29, 2004

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 0761

Mrs. Karen Palmer
Diamond K Gypsum
1600 South Red Hills Drive
Richfield, Utah 84701-7003

Subject: Acreage Exceedance, Diamond K Gypsum, DKG Quarry, M-015/041,
Emery County, Utah

Dear Mrs. Palmer:

On July 2, 2004, I stopped at the Diamond K Gypsum Mine and performed an inspection. I did not notify you in advance because I hadn't expected to stop. During the inspection, I used a global positioning system (GPS) unit to measure the size of the disturbed area not including the areas that have been reclaimed over the past few years.

As you can see on the enclosed map and in the inspection report, the disturbed area was measured as being 16.7 acres. The area bonded under your reclamation contract is 12.6 acres, so the mine has exceeded the maximum size allowed under the contract by 4.1 acres.

There are two ways to take care of this problem. You could post additional bond for the increased disturbance. The amount of the increase, based on the current average amount per acre of \$2627, would be \$10,771.

The other option would be to reclaim at least 4.1 acres of disturbed area. I believe you have been planning to reclaim some of the past disturbances, so you may have already intended to do this reclamation.

Within 14 days of your receipt of this letter, please let us know what action you intend to take to resolve this situation and provide a schedule for completion.

Karen Palmer
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If you plan to do reclamation, I suggest the grading work should be done in about October with seeding being completed very soon after the grading is completed.

Diamond K has been very cooperative with the Division, and I prefer to take care of this problem without issuing a notice of violation or a cessation order as authorized by new rules that became effective June 1, 2004. With your continued cooperation, I am confident we can avoid formal enforcement action.

Thank you for your prompt attention to this matter. Please call me at 801-538-5261 if you have any questions about this letter or if you need additional time to respond.

Sincerely,

A handwritten signature in black ink, appearing to read 'P B Baker'.

Paul B. Baker, Reclamation Biologist
Minerals Regulatory Program
Utah Division of Oil, Gas and Mining

PBB:JB
Enclosure: Inspection Report
cc: Dean Nyffeler, Price BLM
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